

**UNITED STATES DEPARTMENT OF AGRICULTURE**

Farm Service Agency  
Washington, DC 20250

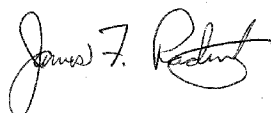
**Notice FLP-103**

1910-A, 1951-C, 1951-S,  
1955-A

**For:** State and County Offices

**Loan Making and Servicing Procedures in Conjunction With  
Class Action Lawsuit Filed on Behalf of Native Americans**

**Approved by:** Acting Deputy Administrator, Farm Loan Programs



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**1 Overview**

**A**

**Background**

A "Class Action Complaint" was recently filed in the U.S. District Court for the District of Columbia alleging acts of discrimination against Native American farmers and ranchers by FSA Farm Loan Programs and Farm Programs.

**B**

**Purpose**

This notice provides direction to Field Offices about making and servicing direct FLP loans to Native Americans.

**C**

**Contact**

If there are any questions:

- County Offices shall contact the State FLP Chief
- State FLP Chiefs shall contact Arthur V. Hall, Director, LSPMD or James Radintz, Director, LMD.

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**Disposal Date**

January 1, 2001

**Distribution**

State Offices; State Offices relay to County  
Offices

## Notice FLP-103

### 2 Action

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#### A

#### **Acceleration and Foreclosure**

Until notified otherwise, SED's must not accelerate or foreclose on any direct FLP loans held by Native American borrowers unless authority is granted by the National Office on a case-by-case basis, with the concurrence of OGC.

If foreclosure has been filed involving the account of a Native American borrower, SED's should immediately notify the U.S. Attorney's Office, in writing, and request that the U.S. Attorney's Office seek a court suspension of the foreclosure action. If the U.S. Attorney's Office has not yet filed the foreclosure complaint, SED should request that the case be returned to the State Office.

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#### B

#### **Servicing Delinquent Accounts**

Servicing of delinquent direct FLP accounts of Native Americans should continue in accordance with FmHA Instruction 1951-S, up to the point of acceleration.

Collection by administrative offset against delinquent direct FLP accounts of Native Americans should continue on each case until such case is resolved.

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#### C

#### **Loan Making**

All requests for loans by Native Americans will be processed to a conclusion. No loan making activities have been suspended as a result of the class action suit.

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